

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HR 149

February 16, 2012

SUMMARY OF BILL: Requests the Comptroller of the Treasury to study the accounting systems utilized by municipal, county, and court clerks and recommend ways in which to improve such systems.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures \$44,600/One-Time

Assumptions:

- The Comptroller will perform this study.
- To perform this study, the Comptroller will require an individual with expertise in information technology and accounting which will be necessary to adequately address the accounting systems utilized.
- The comptroller will either have to use in-house personnel or contract such study out to a private company.
- It is estimated that this study will require a total of 800 hours to conduct the study (500 hours to review the systems in over 100 clerk offices, 200 hours to analyze the findings and make recommendations from the reviews, and 100 hours to compile the information into a report for the legislature).
- For purposes of estimation, the cost per hour for an individual to conduct the study will be equivalent to the hourly rate of an Auditor 4 position.
- According to the Comptroller, the average rate (including salary and benefits) paid to an Auditor 4 is \$49.65 per hour. The cost of labor to conduct this study will result in a one-time increase in state expenditures of \$39,600 (\$49.50 x 800).
- According to the Comptroller, lodging, mileage, and meal expenses will result in a one-time increase in state expenditures of \$5,000.
- To complete this study, the state will incur a total one-time increase in state expenditures of \$44,600 (\$39,600 + \$5,000).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" and last name "Geise" clearly distinguishable.

Lucian D. Geise, Executive Director

/jdb